

**City of Milpitas
Economic Development Commission
Monday, June 13, 2005**

UNAPPROVED MINUTES

I. Flag Salute

Chairman Dhaval Brahmbhatt called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

II. Roll

Commissioners Present:

Dhaval Brahmbhatt

Frank De Smidt

Ray Maglalang

Diane McDonough

Tomo Tuong Nguyen

Minh Nguyen (Alt. 2)

Donald Peoples

Vincent Songcayawon *

Pat Songsiri (Alt. 1)

Charlene Tsao

* Late arrival

Commissioners Absent: None

Council Liaison: Mayor Jose Esteves

City Staff Present: Cindy Maxwell

Chairman Brahmbhatt appointed Alternates Songsiri and M. Nguyen to fill the vacant Commission seats.

III. Announcements

The new members of the Commission, Minh Nguyen and Pat Songsiri, introduced themselves. Commissioner Diane McDonough announced her resignation. Chairman Brahmbhatt expressed regrets for her leaving and appreciation for her service.

Motion to ask the City Council to adopt a resolution of commendation for Commissioner McDonough.

M/S: Maglalang/Tsao

Ayes: All

Abstain: McDonough

The Mayor indicated he already asked that a resolution of commendation be prepared.

Cindy Maxwell reported on the recruitment status for the Economic Development Manager. Chairman Brahmbhatt invited Commissioners to a lunch seminar on nanotechnology.

IV. Presentations

Mayor Esteves presented Commissioner Tsao with a commendation for service in 2004.

The Mayor also welcomed the new Commissioners and congratulated Commissioner Peoples on his selection as the 2005 Chamber of Commerce Businessperson of the year. Commissioner DeSmidt announced a Chamber of Commerce mixer event. Commissioner McDonough announced the Chamber's officer installation and Businessperson of the Year event.

V. Citizens Forum

There were no comments from the public.

VI. Agenda

Motion to approve the agenda as submitted.

M/S: McDonough /DeSmidt

Ayes: All Noes: None Absent: None

VII. Minutes

Motion: Approve the May 9, 2005 minutes as submitted.

M/S: McDonough/Songcayawon

Ayes: All Noes: None Absent: None Abstain: Nguyen, Songsiri

VIII. Unfinished Business

1. Implementation Plan

Maxwell reviewed the Implementation Plan and answered questions regarding implementation responsibilities. She also recommended modifications to the timing of implementation strategies.

The Commission discussed their role during implementation. Commissioner De Smidt noted that the City Council would review the Strategic Plan on July 5. The Mayor noted that the Commission's purpose is to serve Milpitas businesses.

Chairman Brahmbhatt asked that staff coordinate a meeting for LSI Logic with the City Manager and Mayor.

Chairman Brahmbhatt noted that the city of Santa Clara has an energy savings program because they are a utility. The Commission discussed measures to develop an entrepreneur-training program and providing an incentive to vacant industrial buildings. Commissioner Maglalang initiated discussion about the nature and scope of a "business location incentive program" and moving the timing for that measure to 2006. Chairman Brahmbhatt emphasized the importance of removing roadblocks to new technologies. Commissioner Songsiri indicated that it was important to know what was going on in other cities and question how we can compete with them. There was discussion regarding what type businesses to offer incentives, permit requirements and incentives for tenant improvements and the wording of individual implementation strategies.

Consensus to move the time frame for implementation strategy 4.A4 (business incentive location program) to 2006, replace the word “emphasizes” with “includes” and add the word “vacant” to the phrase “existing *vacant* non-residential buildings”.

Consensus to move the time frame for implementation strategy 4.A8 (permit process) to 2006.

The Commission discussed the review process and agreed that the implementation plan should be reviewed by the Council separately from the Strategic Plan. The Chair directed staff to make the changes agreed to by the Commission with the recommendations on timing suggested by staff.

2. Transient Occupancy Tax

Maxwell noted the background info on the Transient Occupancy Tax (TOT) that was in the agenda packet. The Commission discussed using the TOT revenues for implementation of the Economic Strategy and how Milpitas' TOT rate compares to those in other communities. Commissioner De Smidt described a revenue generation device used by the city of Santa Clara for their Business Improvement District. Mayor Esteves confirmed that 2% of the revenue from the 10% TOT goes to the library project and the remaining 8% is for the City's General Fund. He clarified that the General Fund must be used for the highest priority city services. There was further discussion regarding identifying priorities and other possible revenue sources. Mayor Esteves confirmed that there was not any funding in the approved budget for economic development implementation.

3. July 4 Parade

Commissioner Tomo Nguyen asked who would participate in the parade. He distributed a draft postcard and budget estimate. The Commission discussed participation and how the postcard could be used in the parade.

Consensus was to not produce the postcard for the parade.

4. Meeting Schedule

Motion to hold the February 2006 meeting on February 15, 2006.

M/S: De Smidt/Maglalang Ayes: All Abstain: McDonough

IX. Adjournment

The Chairman adjourned the meeting at 8:15 p.m.

Respectfully submitted, Cynthia Maxwell, Principal Analyst